

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE PER-JOB LIMIT ON BOARD OF INVESTMENT
5 LOANS TO ENHANCE ECONOMIC DEVELOPMENT AND CREATE JOBS IN THE BASIC SECTOR OF THE
6 ECONOMY; AMENDING SECTION 17-6-311, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9

10 **Section 1.** Section 17-6-311, MCA, is amended to read:

11 **"17-6-311. Limitation on size of investments.** (1) Except as provided in subsections (2) through
12 (4), an investment may not be made that will result in any one business enterprise or person receiving a
13 benefit from or incurring a debt to the permanent coal tax trust fund the total current accumulated amount
14 of which exceeds 1% of the permanent coal tax trust fund. This subsection does not apply to a loan made
15 pursuant to 17-6-317.

16 (2) Subsection (1) does not limit the board's authority to make loans to the capital reserve account
17 as provided in 17-6-308(2).

18 (3) Subsection (1) does not apply to the purchase of debentures issued by a capital company.
19 However, the total amount of debentures purchased by the board may not exceed 1% of the Montana
20 permanent coal tax trust fund at the time of purchase.

21 (4) The total amount of loans made pursuant to 17-6-309(2) or 17-6-317 may not exceed \$50
22 million, and a single loan may not be less than \$250,000. ~~Except for a loan made pursuant to 17-6-317,~~
23 ~~a loan may not exceed \$16,666 for each job that is estimated to be created.~~ In determining the size of a
24 loan made pursuant to 17-6-309(2), the board shall consider:

25 (a) the estimated number of jobs to be created by the project within a 4-year period from the time
26 that the loan is made and the impact of the jobs on the state and the community where the project will
27 be located;

28 (b) the long-term effect of corporate and personal income taxes estimated to be paid by the
29 business and its employees;

30 (c) the current and projected ability of the community to provide necessary infrastructure for

- 1 economic and community development purposes;
2 (d) the amount of increased salaries, wages, and business incomes of existing jobholders and
3 businesses; and
4 (e) other matters that the board considers necessary."

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6 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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